

March 27, 2014

VIA US MAIL

Jocelyn Boyd, Chief Clerk / Administrator
Public Service Commission of South Carolina
101 Executive Center Dr. #100
Columbia, SC 29210

Re: Docket No. 2014-81-S

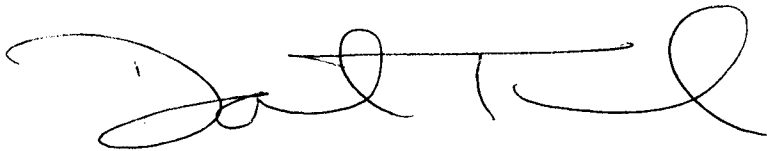
Application of Threatt Enterprises, Incorporated for the Establishment of Rates and Charges for the Provision of Sewer Services (Quail Haven Subdivision)

Dear Jocelyn:

Enclosed for filing please find the Application of Threatt Enterprises, Incorporated for the Establishment of Rates and Charges for the Provision of Sewer Services for the Quail Haven Subdivision. We are providing a copy of the application to the Office of Regulatory Staff by copy of this letter.

If you have any questions, please have someone on your staff contact me.

Very truly yours,

A handwritten signature in black ink, appearing to read 'D. Trammel', with a large, stylized loop at the end.

Daniel Trammel
Attorney for Applicant
PO Box 462
Greer, SC 29652
(864)469-9715

Enclosures
cc/enc: C. Dukes Scott (Via US Mail)

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 2014-81-S

IN RE:)	
)	
Application of Threatt Enterprises, Incorporated)	
for the Establishment of Rates and Charges for the)	APPLICATION
Provision of Sewer Services (Quail Haven)	
Subdivision))	
_____)	

Threatt Enterprises, Inc. (“Applicant” or “Company”), pursuant to S.C. Code Ann § 58-5-210(1976) and 10 S.C. Code Ann. Regs. 103-501 (1976), 103-504, and 103-541 (Supp. 2011) hereby applies for establishment of an authorized sewerage service area to include a certain portion of Pickens County.

In support of this Application, Applicant would respectfully show as follows:

1. Applicant is a corporation organized and existing under the laws of the State of South Carolina. The Company was created in 1971 by Thomas Threatt. Attached hereto and incorporated herein by this reference as Exhibit A are the Articles of Incorporation.
2. Applicant owns and is responsible for the proper operation and maintenance of the wastewater treatment facility (WWTF) and associated collection system (CS), which serves homes in the Quail Haven Subdivision in Pickens County, South Carolina.
3. Applicant constructed the WWTF and CS in 1972, assuming that it would be a temporary facility until it could be eliminated by connection to the regional sewer system.
4. The facility has not been connected to the regional sewer system, and to date, Applicant has provided the cost for the operation and maintenance of the WWTF and CS.

5. Applicant has not charged the residents of the subdivision sewer fees.

6. DHEC inspections, in response to complaints of overflows in the CS, have revealed blockages in the CS. Based upon its findings, the Department issued a Consent Order, finding Threatt in violation of the Pollution Control Act, S.C. Code Ann. § 48-1-110(d)(2008 and Supp. 2012) and Water Pollution Control Permits, 3. S.C. Code Ann. Regs. 61.9.122.41(e)(2011), in that it failed to comply with the operations and maintenance requirements as required by Part II.C.1.a of the NPDES Permit.

7. Mr. Threatt passed away in 2004 and his daughter, Ms. Pam Threatt, is in the process of settling his estate. Plans to transfer ownership of the system to a municipality or a private utility have been fruitless.

8. The sewer service area for which expansion is sought (the “Quail Haven Service Area”) is located in Pickens County, South Carolina, includes 142 single family units and 12 apartment units. There are approximately 10 suitable lots for home sites remaining in this development.

9. The Quail Haven Service Area is not presently served by any public utility providing sewer service subject to the jurisdiction of this Commission. Moreover, no governmental entity has sewer service facilities in the Quail Haven Service Area.

10. Applicant hereby requests that the Commission approve the rates, Exhibit B.

11. Attached hereto and incorporated herein by this reference as Exhibit C is the map of the Quail Haven Service Area.

12. As required pursuant to 10 S.C. Code Ann. Regs. 103-512.4.B.10, a performance bond meeting the requirements of 10 S.C. Code Ann. Regs. 103-512.3 will be submitted within 30 days from the date of approval by the Commission granting Threatt Enterprises, Inc. status as a utility.

13. A customer bill form is attached hereto and incorporated herein by reference as Exhibit D.

14. Attached hereto and incorporated herein by reference as Exhibit E is the Construction Permit from DHEC approving engineering plans and specifications.

15. Attached hereto and incorporated herein by reference as Exhibit F is the Permit to Operate.

16. Attached hereto and incorporated herein by reference as Exhibit G is the Plant investment by category.

17. Attached hereto and incorporated herein by reference as Exhibit H is the Depreciation schedule by categories.

18. Attached hereto and incorporated herein by reference as Exhibit I is the Pro-forma income and expense statement showing the effect of using the proposed rates.

19. Attached hereto and incorporated herein by reference as Exhibit J is the statement by Carl J. Earle, P.E. certifying that the system was built and installed according to plans and specifications.

20. Attached hereto and incorporated herein by reference as Exhibit K is the statement by J. Michael Clark, District Engineer, certifying that the system was built and installed according to plans and specifications.

21. Attached hereto and incorporated herein by reference as Exhibit L are copies of engineering plans and specifications designed in accord with good engineering practices by a professional engineer registered in South Carolina.

22. Applicant submits that the proposed sewer rate is necessary in order for it to recover its costs and expenses of providing service and provide reasonable and adequate service to its

customers. The rates proposed are also necessary to comply with standards and regulations set by DHEC and other governmental agencies which regulate the environmental aspects of Applicant's business. Applicant further submits that the proposed rates are necessary to enable it to earn a reasonable return on its investment and to attract capital for future improvements. Said rates will preserve the financial integrity of the Applicant, promote continued investment in and maintenance of its facilities, and thereby permit Applicant to continue providing reliable and high quality sewer services.

APPLICANT REPRESENTATIVE

Ms. Pam Threatt
Owner
Threatt Enterprises, Inc.
P.O. Box 17265
Greenville, SC 29606
(864)235-1302

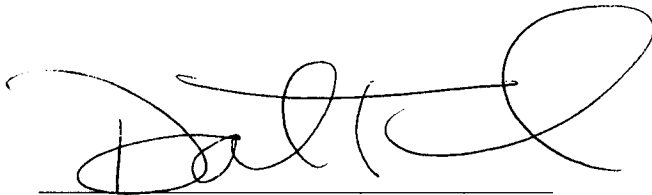
LEGAL COUNSEL

Daniel Trammel
P.O. Box 462
Greer, SC 29652
(864)469-9715
Attorney for Applicant

WHEREFORE, having fully set forth its Application, Applicant respectfully requests that the Commission:

1. Grant the Applicant a Certificate of Public Convenience and Necessity to provide sewerage service in the Quail Haven Subdivision in Pickens County, South Carolina;
2. Grant the Applicant's request to provide sewerage service to the Proposed Service Area pursuant to the terms, conditions, rates and charges as provided in Exhibit 1;

3. Pursuant to 10 S.C. Code Regs. 103-803, that the Commission waive compliance with R. 103-512.B subsections 3-4, and 11 of the Commission's rules and regulations in view of the circumstances of the application. The applicant believes the circumstances to be unique and therefore render such a waiver appropriate; and
4. Grant such other and further relief as the Commission may deem just and proper.

A handwritten signature in black ink, appearing to read 'Daniel Trammel', written over a horizontal line.

Daniel Trammel
P.O. Box 462
Greer, SC 29652
(864) 469-9715
Attorney for Applicant

Greenville County, South Carolina
This 27 day of March, 2014

Threatt Enterprises, Inc.

SCHEDULE OF EXHIBITS

Exhibit A	Articles of Incorporation
Exhibit B	Schedule of Proposed Rates and Charges
Exhibit C	Map of the Proposed Service Area
Exhibit D	Customer Bill
Exhibit E	Construction Permit from DHEC approving engineering plans and specifications
Exhibit F	Permit to Operate from DHEC
Exhibit G	Statement of Total Plant Investment
Exhibit H	Basis for Depreciation Charges
Exhibit I	Pro-forma Income and Expense Statement
Exhibit J	Statement by Carl J. Earle, P.E. certifying that the system was built and installed according to plans and specifications.
Exhibit K	Statement by J. Michael Clark, District Engineer, certifying that the system was built and installed according to plans and specifications.
Exhibit L	Copies of engineering plans and specifications designed in accord with good engineering practices by a professional engineer registered in South Carolina.

AUG 18 2003

STATE OF SOUTH CAROLINA
SECRETARY OF STATE

AUG 18 2003

NOT
Mark Hammond
 SECRETARY OF STATE OF SOUTH CAROLINA

Mark Hammond 2
SECRETARY OF STATE

**NOTICE OF CHANGE OF REGISTERED OFFICE
OR REGISTERED AGENT OR BOTH
OF A SOUTH CAROLINA
OR FOREIGN CORPORATION**

TYPE OR PRINT CLEARLY IN BLACK INK

Pursuant to Sections 33-5-102 and 33-15-108 of the 1976 South Carolina Code of Laws, as amended, the undersigned corporation submits the following information.

1. The name of the corporation is Threatt Enterprises, Inc.
2. The corporation is (complete either a or b, whichever is applicable):
- a. a domestic corporation incorporated in South Carolina on 11-29-71; or
- b. a foreign corporation incorporated in _____ on _____, and
State Date
authorized to do business in South Carolina on _____,
Date
3. The street address of the present registered office in South Carolina is 3513 E. North St. Ext.
in the city of Greenville, South Carolina 29615
Street & Number Zip Code
4. If the current registered office is to be changed, the street address to which its registered office is
to be changed is 500 McNeely Road in the city of Piedmont South
Carolina 29673
Street Address Zip Code
5. The name of the present registered agent is M. P. Norungolo
6. If the current registered agent is to be changed, the name of the successor registered agent is
Pamela Jay Threatt

* I hereby consent to the appointment as registered agent of the corporation:

Signature of New Registered Agent

7. The address of the registered office and the address of the business office of the registered agent, as changed, will be identical.
8. Unless a delayed date is specified, this will be effective upon acceptance for filing by the Secretary of State (See Section 33-1-230(b) of the 1976 South Carolina Code of Laws, as amended

*Pursuant to Sections 33-5-102(5) and 33-5-108(5) of the 1976 South Carolina Code of Laws, as amended, the written consent of the registered agent may be attached to this form.

Date July 29, 2003

Threatt Enterprises, Inc.
Name of Corporation

Threatt Enterprises, Inc.
Name of Corporation
Thomas C. Threatt
Signature

Thomas C. Threatt, President
Type or Print Name and Title

FILING INSTRUCTIONS

1. Two copies of this form, the original and either a duplicate original or a conformed copy must be filed.
2. Filing Fee (payable to the Secretary of State at the time of filing this document) -- \$10.00
3. Pursuant to Section 33-5-102(b) of the 1976 South Carolina Code of Laws, as amended, the registered agent can file this when the only change is the street address of the registered office. In this situation, the following statement should be typed on the form above the registered agent's signature: "The corporation has been notified of this change." In this case the filing fee is \$2.00.

Return to: Secretary of State
P.O. Box 11350
Columbia, SC 29211

SCHEDULE OF PROPOSED RATES AND CHARGES

1. Monthly Charges

Monthly charge per single-family house, condominium, mobile home, or apartment unit: \$35.00 per unit

Where the Utility is required to interconnect to the sewage treatment system of a government body or agency or other entity and tap/connection/impact fees are imposed by that entity, such tap/connection/impact fees will be charged to the Utility's affected customers on a pro rata basis, without markup.

2. Non-Recurring Charges

A. Sewer service connection charge for new units \$300.00

B. Customer Account Charge – for new customers only, \$25.00
A one-time fee to defray the costs of initiating service

C. Solids Interceptor Tanks

For all customers receiving sewage collection service through an approved solids interceptor tank, the following charges shall apply:

Pumping Charge

At such time as the Utility determines through its inspection that excessive solids have accumulated in the interceptor tank, the Utility will arrange for the pumping tank and will include \$150.00 as a separate item in the next regular billing to the customer.

Pump Repair or Replacement Charge

If a separate pump is required to transport the customer's sewage from solids interceptor tank to the Utility's sewage collection system, the Utility will arrange to have this pump repaired or replaced as required and will include the cost of such repair or replacement as a separate item in the next regular billing to the customer and may be paid for over a one-year period.

Visual Inspection Port

In order for a customer who uses a solids interceptor tank to receive sewage service from the Utility or to continue to receive such service, the customer shall install at the customer's expense a visual inspection port which will allow for observations of the contents of the solids interceptor tank and extraction of test samples therefrom. Failure to provide such visual inspection port after timely notice of not less than thirty (30) days shall be just cause for interruption of service until a visual inspection port has been installed.

3. Notification and Disconnection Charges

- A. Notification fee: A fee of fifteen dollars (\$15.00) shall be charged to each customer per notice to whom the Utility mails the notice as required by Commission Rule R. 103-535.1 prior to service being discontinued. This fee assesses a portion of the clerical and mailing costs of such notices to the customers creating the cost.
- B. Disconnection Charges: In addition to any other charges that may be due, in those cases where a customer's service has been disconnected for any reason as set forth in Commission Rule R. 103-532.4, the customer is found to have vacated his premises or the customer has shown his intent to vacate his premises and the imposition of a reconnection charge is not feasible, a disconnection fee in the amount of \$500.00 shall be due at the time the customer disconnects service. Where an elder valve has been previously installed, a disconnection fee of forty dollars (\$40.00) shall be charged.

4. Billing Cycle

Recurring charges will be billed monthly in arrears. Non-recurring charges will be billed and collected in advance of service being provided.

5. Late Payment Charges

Any balance unpaid within twenty-five (25) days of the billing date shall be assessed a late payment charge of one and one-half percent (1 ½ %) for each month, or any part of a month, that said payment is late.

6. Extension of Utility Service Lines and Mains

The Utility shall have no obligation at its expense to extend its utility service lines or mains in order to permit any customer to connect to its sewer system. However, anyone or entity which is willing to pay all costs associated with extending an appropriately sized and constructed main or utility service line from his/her/its premises to any appropriate connection point, pay the appropriate fees and charges as set forth in this rate schedule, and comply with the guidelines and standards hereof, shall not be denied service unless sewer capacity is unavailable or unless the South Carolina Department of Health and Environmental Control or other government entity has for any reason restricted the Utility from adding additional customers to the serving sewer system.

In no event will the Utility be required to construct additional sewer treatment capacity to serve any customer or entity without an agreement acceptable to the Utility first having been reached for the payment of all costs associated with adding wastewater treatment capacity to the affected sewer system.

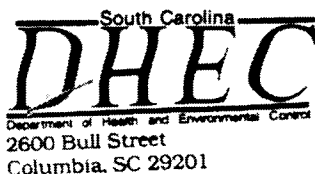
EXHIBIT C



Invoice Date: March 1, 2014
Due Date: March 15, 2014

Description of Service	Service from	Service to	Amount
Quail Haven Subdivision Sewer	February 1, 2014	February 28, 2014	\$35.00
		Previous	35.00
		Payment	35.00
		Past Due Amount	0.00
		Current	35.00
		TOTAL AMOUNT	35.00

All past due accounts will be charged a 1.5% Late Fee
All past due amounts are subject to a \$25.00 Certified Notification Fee



Bureau of Water Pollution Control Permit To Construct

Permission is hereby granted to: T.C. Threatt
Drawer 9018
Greenville, SC 29604

for the construction of a sanitary sewer system in accordance with the construction plans, specifications, engineering report and the Construction Permit Application signed by James R. Freeland, Registered Professional Engineer, S.C. Registration Number: 4781.

Project Name: QUAIL HAVEN SUBDIVISION S/S RELOCATION

County: Pickens

Project Description: Approximately 30 LF of 10" gravity sewer, 30 LF of 8" force main and one 350 GPM duplex pump station.

This project will connect to the QUAIL HAVEN SUBDIVISION wastewater treatment facility, but will not contribute any new flow.

The effluent concentrations of those constituents the wastewater treatment system is designed to remove or reduce are contained in ND Permit ND0067377.

Special Conditions - (See Back of Construction Permit for Continuation):

1. All construction/materials for this project must conform to the Standard Specifications for FREELAND-CLINKSCALES & ASSOC. approved on 11/09/88.

Permit Number: 20,953-DW

Date of Issue: April 19, 1996

Expiration Dates: Unless construction begins prior to April 19, 1998 and construction is completed prior to April 19, 1999 this permit will expire.

In accepting this permit, the owner agrees to the admission of properly authorized persons at all reasonable hours for the purpose of sampling and inspection.

THIS IS A PERMIT FOR CONSTRUCTION ONLY AND DOES NOT CONSTITUTE STATE DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL APPROVAL, TEMPORARY OR OTHERWISE, TO PLACE THE SYSTEM IN OPERATION.

A handwritten signature in dark ink, reading "Jeffrey P. deBessonnet, P.E.".

Jeffrey P. deBessonnet, P.E., Director
Domestic Wastewater Division

MA(4/19/96)

Special Conditions for Construction Permit Number: 20,953-DW
Date of Issue: April 19, 1996

2. A minimum cover of 3 feet is required over all the force main and gravity sewer.
3. Thrust blocking or restraint joints must be provided at all changes in alignment greater than or equal to thirty (30) degrees.
4. Sewer lines and force mains in relation to water lines must conform to "Ten State Standards", Section 38.3-1990 Edition, at a minimum.

EXHIBIT F



Appalachia II
Environmental Quality Control
301 University Ridge, Suite 5800
Greenville, SC 29601-3677
864-241-1090 Fax: 864-241-1092

[Signature]
Serving
Greenville and Pickens Counties

February 3, 1997

FINAL CONSTRUCTION APPROVAL- PERMIT TO OPERATE

WW PROJECT: Quail Haven Sewer Relocation

COUNTY: Pickens

Approval is hereby granted to: T.C. Threatt
Drawer 9018
Greenville, SC 29604

To place into operation the wastewater collection and/or treatment system identified as follows:
Approximately 30 L.F. of 10 inch gravity sewer, 30 L.F. of 8 inch force main and one 350
GPM duplex pump station.

SPECIAL CONDITIONS:

This is a replacement of an existing pump station and will not add any new flow to the Quail
Haven wastewater lagoon.

This project was constructed under Permit No. 20,953-DW dated April 19, 1996. (I)

This approval is based on the engineer's letter of compliance signed by James R. Freeland, P.E., dated
June 21, 1996, satisfactory inspections performed by personnel of this office.

ISSUED BY:

[Signature]
Tommy Rogers
District Engineer Associate
App II EQC

RECEIVED FEB 10 6 2987

cc: Jim Freeland, Freeland - Clinkscales
Domestic Wastewater Division
Michael Parrot, Greenville Health Department
Pickens County Codes

Exhibit G

STATEMENT OF TOTAL PLANT INVESTMENT	
Asset Description	Cost Basis
Pumps	\$10,750
Manhole Covers	\$9,000
Monitoring Wells	\$3,660
Lift Station	\$130,790
Sewer Lines	\$375,000
Miscellaneous Electrical Equipment (Fuses, etc.)	\$2,400
TOTAL PLANT INVESTMENT	\$531,600

BASIS FOR DEPRECIATION CHARGES			
Description of Property	Original Cost	Life/Method	Annual Depreciation
Pumps	\$10,750	5 years S/L	\$2,150
Manhole Covers	\$9,000	S/L	\$230
Monitoring Wells	\$3,660	10 years S/L	\$366
Lift Station	\$130,790	S/L	\$4,173
Miscellaneous Electrical Equipment	\$2,400	S/L	\$61
Sewer Lines	\$375,000	S/L	\$2,500
TOTALS	\$531,600		\$9,480

Pro-Forma Income and Expense Statement

	Current	Pro Forma Proposed
REVENUES		
Services	0	\$64,680.00
Tap Fees	0	\$0.00
Miscellaneous	0	\$0.00
Total Revenues	0	\$64,680.00
EXPENSES		
Salaries, Wages, Benefits	\$5,537.54	\$5,537.54
Utilities	\$811.22	\$811.22
Repairs & Maintenance	\$12,625.03	\$12,625.03
Insurance	\$3,763.00	\$3,763.00
DHEC Fees	\$800.00	\$800.00
Taxes-other than Income	\$256.44	\$256.44
Office & Related Expenses	\$15,874.97	\$15,874.97
Depreciation	\$9,480.00	\$9,480.00
Miscellaneous	\$100.00	\$100.00
Rate Case	\$0.00	\$5,000.00
Income Taxes	\$4,477.35	\$4,477.35
TOTAL EXPENSES	\$53,725.55	\$58,725.55
OPERATING INCOME (LOSSES)	(\$53,725.55)	\$5,954.45
OPERATING MARGIN (LOSSES)	0.00%	10.14%

PIEDMONT ENGINEERS • ARCHITECTS • PLANNERS
420 PARK AVENUE • P. O. BOX 1717 • GREENVILLE, SOUTH CAROLINA 29602 • 803-242-1717

December 4, 1975

S. C. Department of Health and Environmental Control
300 University Ridge
Greenville, S. C.

Attn: Mr. J. Michael Clark

Re: Waste Treatment Facility
Quail Haven Subdivision
Pickens County
Job: 75-79

Gentlemen:

TML Corporation, the developers of Quail Haven Subdivision, have complied with your letter of October 30, 1975 in which you outlined requirements to obtain a permit to operate the above referenced waste treatment facility.

This facility was built in accordance with plans and specifications developed by Piedmont Engineers, Architects & Planners and construction permits #15064 dated July 6, 1973 issued by the State Board of Health and construction permit #11872 dated May 17, 1972 also issued by the State Board of Health.

The waste treatment facility will be operated by Mr. Roy Smith of Piedmont Environmental Specialists. Mr. Smith holds a Class B Waste Treatment Plant Operator's License #764.

We trust that this is the information you need to issue a permit to operate, however, should you need additional data, please feel free to contact the writer.

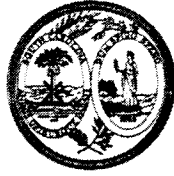
Sincerely,

Carl J. Earle, P.E.

cc: Mr. Tom Threatt - Threatt Maxwell
Mr. Johnny Lanford - TML Corporation
Mr. Pete Vaughn - Threatt Maxwell

CJE/rb

EXHIBIT K



BOARD MEMBERS

Lachlan L. Hyatt, Chairman
William M. Wilson, Vice-Chairman
J. DeQuincey Newman, Secretary
W. A. Barnette, Jr.
Leonard W. Douglas, M.D.
J. Lorin Mason, Jr., M.D.
William C. Moore, Jr., D.M.D.

SOUTH CAROLINA DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL

E. KENNETH AYCOCK, M.D., M.P.H., COMMISSIONER
J. MARION SIMS BUILDING — 2600 BULL STREET
COLUMBIA, SOUTH CAROLINA 29201

The 300 Building, Suite 105
University Ridge
Greenville, S. C. 29601

December 9, 1975

Mr. Carl J. Earle, P. E.
Piedmont Engineers, Architects & Planners
420 East Park Avenue
Greenville, South Carolina 29601

Re: Quail Haven Subdivision
Construction Permit #2145-C
(5/18/72) (PCA)
Construction Permit #15064
(7/ 6/73) (SBH)
Construction Permit #11872
(5/17/72) (SBH)
Pickens County

Dear Jack:

Construction of the above referenced project has been inspected and found to be in accordance with the approved plans and specifications, subject to the following provisions:

- (1) That only the biggest lagoon will be used until such time as additional plans warrant placing the additional lagoons in service.
- (2) That the lagoon be operated as a no-discharge lagoon.
- (3) That the water level of the lagoon be maintained up to the bottom of the lower pipe, or approximately 3½ feet.
- (4) That should this mode of operation at any time prove to be unsatisfactory due to odors, etc., that the owners will provide an alternate means of treatment satisfactory to the South Carolina Department of Health & Environmental Control.

It is understood that the operator in charge is Mr. Roy Smith, Waste Treatment Plant Operator's License #764.

Please feel free to contact me should there be any questions concerning this matter.

Very truly yours,

A handwritten signature in dark ink, appearing to read "J. Michael Clark".

J. Michael Clark
District Engineer

JMC/ew

cc: W. E. Miller J. T. Clark Johnny Lanford
R. E. Davis Tom Threatt ✓ Pete Vaughn